

Exhibit B

2 Broadway
New York, NY 10004
212 878-7000 Tel



Metropolitan Transportation Authority

State of New York

October 31, 2018

VIA UPS NEXT DAY DELIVERY AND EMAIL

(shyman@westfield.com), (Jmarshall@westfield.com), (rfricke@westfield.com)

Westfield Fulton Center LLC
c/o Westfield, LLC
185 Greenwich Street
Management Office – T2C2
New York, NY 10007
Attn: Ms. Shari Hyman

With Copies to:

Westfield Fulton Center LLC
One World Trade Center, Suite 46E
New York, NY 10007
Attn: John Marshall

Westfield Fulton Center LLC
c/o Westfield, LLC
2049 Century Park East
Los Angeles, CA 90067
Attn: Legal Department

NOTICE OF MONETARY DEFAULT

Re: **NYCT Acct. No. t0012107, Westfield Fulton Center, LLC**
Lease Agreement dated May 16, 2014 (the "Lease Agreement"), between New York City Transit Authority ("NYCT") as Landlord and Westfield Fulton Center LLC ("Westfield")
as Tenant for Premises at Fulton Street Transit Center, New York, NY

Dear Ms. Hyman:

NYCT hereby provides Westfield with this Notice of Monetary Default (the "Notice") under the above Lease Agreement. All capitalized terms not defined in this letter have the meaning ascribed to them in the Lease Agreement.

Westfield is in default of the terms of the Lease Agreement because it has failed to pay Rent in an amount totaling \$4,195,393.00 for unpaid charges for (a) utilities, (b) Base Signage Participation Rent, (c) Additional Signage Participation Rent, (d) Sponsorship Participation Rent, and (e) Landlord's fees for the review and approval of Plans and Specifications for Subtenant Improvements in accordance with the Design Review Process and the Code Compliance Review Process for the issuance of Approvals for such Subtenant Improvements as specified in the schedule in Section 8.2(d) of the Lease Agreement.

The agencies of the MTA

MTA New York City Transit
MTA Long Island Rail Road

MTA Metro-North Railroad
MTA Bridges and Tunnels

MTA Capital Construction
MTA Bus Company

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Westfield's Monetary Default is composed of the following amounts of Rent that are summarized on the schedule annexed to this Notice and are described below.

A. Utility Charges:

In accordance with Article 7.3 of the Lease Agreement, "Tenant shall pay (or cause Subtenants to pay) all charges for . . . utilities serving the Commercial Usage Areas in accordance with Exhibit R" to the Lease Agreement.

Exhibit R provides, with respect to non-HVAC-related electricity charges, that "[m]onthly upon demand, Tenant will pay Landlord for the electrical demand and consumption measured by . . . sub-meters, as Additional Rent"

With respect to HVAC-related electrical charges, Exhibit R provides that "[m]onthly upon demand, Tenant will pay to Landlord its allocable share of the electrical demand and consumption measured at service switches SS1 and SS2, and switchboard DB-C, as Additional Rent"

Finally, as provided in Exhibit R, Tenant agreed to reimburse Landlord for 26.6% of Con Edison's steam charges consumed by the Central HVAC Plant in the Commercial Usage Areas.

NYCT has previously made demands for a payment of a total of \$228,346.00 of the following utility charges that have not yet been paid:

Non-HVAC-related electricity charges

| | |
|---|--------------------|
| Electricity charges (11/13/2017 – 12/14/2017) | \$387.29 |
| Electricity charges (12/14/2017 – 1/16/2018) | \$20,010.82 |
| Electricity charges (1/16/2018 – 2/14/2018) | \$17,459.08 |
| Electricity charges (2/14/2018 – 3/16/2018) | \$17,534.81 |
| Electricity charges (3/16/2018 – 4/16/2018) | \$18,408.88 |
| Electricity charges (4/16/2018 – 5/15/2018) | \$15,480.71 |
| Electricity charges (5/15/2018 – 6/15/2018) | <u>\$15,839.17</u> |
| Total non-HVAC-related electricity charges due: | \$105,121.00 |

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HVAC-related charges

| | |
|---------------------------------------|--------------------|
| HVAC charges (12/14/2017 – 1/16/2018) | \$16,284.78 |
| HVAC charges (1/16/2018 – 2/14/2018) | \$15,649.31 |
| HVAC charges (2/14/2018 – 3/16/2018) | \$15,682.44 |
| HVAC charges (3/16/2018 – 4/16/2018) | \$15,292.97 |
| HVAC charges (4/16/2018 – 5/15/2018) | \$14,301.48 |
| HVAC charges (5/15/2018 – 6/15/2018) | <u>\$16,585.58</u> |
| Total HVAC-related charges due: | \$93,797.00 |

Steam charges

| | |
|--|--------------------|
| Steam charges (for period ending 11/13/2017) | \$2,640.62 |
| Steam charges (for period ending 12/18/2017) | <u>\$26,787.80</u> |
| Total steam charges due: | \$29,428.00 |

Total utility charges due: \$228,346.00

B. Base Signage Participation Rent:

According to Westfield's Monthly MTA Fee Statements for December 2017 and August 2018, the following amounts are due to NYCT for its share of Base Signage Participation Rent:

Base Signage Participation Rent

| | |
|--|--------------------|
| Base Tenant Controlled Signage November 2017 | \$160,065.00 |
| Base Tenant Controlled Signage December 2017 | \$245,824.00 |
| Base Tenant Controlled Signage January 2018 | \$235,973.00 |
| Base Tenant Controlled Signage February 2018 | \$26,736.00 |
| Base Tenant Controlled Signage March 2018 | \$275,324.00 |
| Base Tenant Controlled Signage April 2018 | \$423,013.00 |
| Base Tenant Controlled Signage May 2018 | \$101,058.00 |
| Base Tenant Controlled Signage June 2018 | \$104,885.00 |
| Base Tenant Controlled Signage July 2018 | \$40,383.00 |
| Base Tenant Controlled Signage August 2018 | <u>\$93,086.00</u> |
| Total Base Signage Participation Rent due: | \$1,706,347.00 |

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C. Additional Signage Participation Rent:

According to Westfield's Monthly MTA Fee Statements for December 2017 and August 2018, the following amounts are due to NYCT for its share of Additional Signage Participation Rent:

Additional Signage Participation Rent

| | |
|--|---------------------|
| Additional Tenant Controlled Signage October 2017 | \$180,223.00 |
| Additional Tenant Controlled Signage November 2017 | \$193,356.00 |
| Additional Tenant Controlled Signage December 2017 | \$283,156.00 |
| Additional Tenant Controlled Signage January 2018 | \$272,841.00 |
| Additional Tenant Controlled Signage February 2018 | \$53,745.00 |
| Additional Tenant Controlled Signage March 2018 | \$314,052.00 |
| Additional Tenant Controlled Signage April 2018 | \$468,696.00 |
| Additional Tenant Controlled Signage May 2018 | \$131,573.00 |
| Additional Tenant Controlled Signage June 2018 | \$135,580.00 |
| Additional Tenant Controlled Signage July 2018 | \$68,039.00 |
| Additional Tenant Controlled Signage August 2018 | <u>\$123,225.00</u> |
| Total Additional Signage Participation Rent due: | \$2,224,486.00 |

D. Sponsorship Participation Rent:

According to Westfield's monthly MTA Fee Statement for December 2017, the following amounts are due NYCT for Sponsorship Participation Rent:

Sponsorship Participation Rent

| | |
|---|-----------------|
| Sponsorship Net Revenue October 2017 | \$6,358.00 |
| Sponsorship Net Revenue November 2017 | \$17,547.00 |
| Sponsorship Net Revenue December 2017 | <u>\$309.00</u> |
| Total Sponsorship Participation Rent due: | \$24,214.00 |

In providing this Notice concerning the amount of Sponsorship Participation Rent due, NYCT accepts, for this purpose only, Westfield's contention that the Stabilization Period concluded on April 30, 2017, as set forth in Westfield's letter to MTA Real Estate dated May 8, 2018. NYCT does not accept Westfield's contention that the Stabilization Period ended on April 30, 2017 for any other purpose, and does not otherwise waive any of its rights or remedies relating to the actual date of the end of the Stabilization Period.

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E. Section 8.2(d) Fees for Design Review and Approval:

Pursuant to its letter dated October 12, 2018, NYCT demanded payment for Landlord's fees in association with the Design Review Process and the Code Compliance Review Process of Subtenant Improvements, as provided under Article 8.2(d) of the Lease Agreement. To date, Westfield has failed to make payment of these fees:

Article 8.2(d) Design Review and Approval Fees

| | |
|--|-------------------|
| One-time fee for design and review for Gateway News store | \$3,000.00 |
| One-time fee for design and review for Great American Bagel | \$6,000.00 |
| One-time fee for design and review for second Gateway News store | <u>\$3,000.00</u> |
| Total Section 8.2(d) design review and approval fees due: | \$12,000.00 |

F. Total Rent Due:

The total amount of Rent currently due to NYCT is \$4,195,393.00, calculated below:

| | |
|--|--------------------|
| Utility charges | \$228,346.00 |
| Base Signage Participation Rent | \$1,706,347.00 |
| Additional Signage Participation Rent | \$2,224,486.00 |
| Sponsorship Participation Rent | \$24,214.00 |
| Section 8.2(d) Design Review and Approval Fees | <u>\$12,000.00</u> |
| Total Rent due: | \$4,195,393.00 |

* * *

In accordance with Article 22.1.1 of the Lease Agreement, Westfield has ten Business Days from receipt of this Notice to cure the Monetary Default. Failure to cure the Monetary Default will result in an Event of Default under Article 22.1 of the Lease Agreement, and may result in the Lease Agreement being terminated. Pursuant to Article 22.3 of the Lease Agreement, NYCT demands Default Interest on all amounts due that are subject to Default Interest.

This Notice is sent without prejudice to any and all of NYCT's rights under the Lease Agreement and under the law and in equity, all of such rights being expressly reserved, and will not constitute a waiver of any other defaults by Westfield under the Lease Agreement. NYCT expressly reserves its right to: (a) demand additional Rent now due after performing an audit of

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the financial records of Westfield, as provided under Article 4.7 of the Lease Agreement, and (b) demand additional amounts of Rent that become due after this Notice.

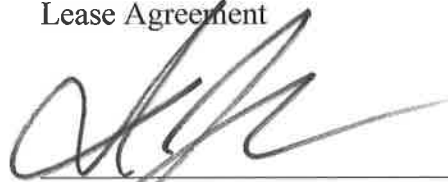
Thank you in advance for your cooperation. Should you have any questions, please do not hesitate to contact me at (212) 878-7104.

METROPOLITAN TRANSPORTATION
AUTHORITY



DAVID FLORIO
Director, Real Estate Transactions and Operations
Authorized Signatory

NEW YORK CITY TRANSIT AUTHORITY
as successor to METROPOLITAN
TRANSPORTATION AUTHORITY under the
Lease Agreement



DAVID FLORIO
Director, Real Estate Transactions and Operations
Authorized Signatory

| Date | Description | Chg | Charge | Payment | Net Due | Total Outstanding |
|---|--|----------|------------|-----------|------------|-------------------|
| 05/02/18 | Additional Tenant Controlled Signage October 2017 | C-480855 | 180,223.00 | 0.00 | 180,223.00 | |
| 05/02/18 | Additional Tenant Controlled Signage November 2017 | C-480858 | 193,356.00 | 0.00 | 193,356.00 | |
| 05/02/18 | Additional Tenant Controlled Signage December 2017 | C-480861 | 283,156.00 | 0.00 | 283,156.00 | |
| 05/02/18 | Additional Tenant Controlled Signage January 2018 | C-480864 | 272,841.00 | 0.00 | 272,841.00 | |
| 05/02/18 | Additional Tenant Controlled Signage February 2018 | C-480866 | 53,745.00 | 0.00 | 53,745.00 | |
| 05/30/18 | Additional Tenant Controlled Signage March 2018 | C-484195 | 314,052.00 | 0.00 | 314,052.00 | |
| 06/19/18 | Additional Tenant Controlled Signage April 2018 | C-486095 | 468,696.00 | 0.00 | 468,696.00 | |
| 08/01/18 | Additional Tenant Controlled Signage May 2018 | C-492215 | 131,573.00 | 0.00 | 131,573.00 | |
| 09/04/18 | Additional Tenant Controlled Signage June 2018 | C-496675 | 135,580.00 | 0.00 | 135,580.00 | |
| 10/01/18 | Additional Tenant Controlled Signage July 2018 | C-496677 | 68,039.00 | 0.00 | 68,039.00 | |
| 11/23/18 | Additional Tenant Controlled Signage August 2018 | C-504215 | 123,226.00 | 0.00 | 123,225.00 | |
| Additional Tenant Controlled Signage Due | | | | | | \$ 2,224,486 |
| 05/02/18 | Base Tenant Controlled Signage November 2017 | C-480857 | 160,065.00 | 0.00 | 160,065.00 | |
| 05/02/18 | Base Tenant Controlled Signage December 2017 | C-480860 | 245,824.00 | 0.00 | 245,824.00 | |
| 05/02/18 | Base Tenant Controlled Signage January 2018 | C-480863 | 235,973.00 | 0.00 | 235,973.00 | |
| 05/02/18 | Base Tenant Controlled Signage February 2018 | C-480865 | 26,736.00 | 0.00 | 26,736.00 | |
| 05/30/18 | Base Tenant Controlled Signage March 2018 | C-484194 | 275,324.00 | 0.00 | 275,324.00 | |
| 06/19/18 | Base Tenant Controlled Signage April 2018 | C-486094 | 423,013.00 | 0.00 | 423,013.00 | |
| 08/01/18 | Base Tenant Controlled Signage May 2018 | C-492214 | 101,058.00 | 0.00 | 101,058.00 | |
| 09/04/18 | Base Tenant Controlled Signage June 2018 | C-496674 | 104,885.00 | 0.00 | 104,885.00 | |
| 10/01/18 | Base Tenant Controlled Signage July 2018 | C-496676 | 40,383.00 | 0.00 | 40,383.00 | |
| 11/23/18 | Base Tenant Controlled Signage August 2018 | C-504214 | 93,086.00 | 0.00 | 93,086.00 | |
| Total Base Tenant Controlled Signage Due | | | | | | \$ 1,706,347 |
| 05/02/18 | Sponsorship Revenue October 2017 | C-480856 | 6,358.00 | 0.00 | 6,358.00 | |
| 05/02/18 | Sponsorship Revenue November 2017 | C-480859 | 17,547.00 | 0.00 | 17,547.00 | |
| 05/02/18 | Sponsorship Revenue December 2017 | C-480862 | 309.00 | 0.00 | 309.00 | |
| Total Sponsorship Revenue Due | | | | | | \$ 24,214 |
| 08/15/18 | Electric Utility (11/13/2017 - 12/14/17) | C-492235 | 16,402.51 | 16,015.22 | 387.29 | |
| 08/15/18 | Electric Utility (12/14/2017 - 1/16/2018) | C-492236 | 20,010.82 | 0.00 | 20,010.82 | |
| 08/15/18 | Electric Utility (1/16/2018 - 2/14/2018) | C-492238 | 17,459.08 | 0.00 | 17,459.08 | |
| 08/15/18 | Electric Utility (2/14/2018 - 3/16/2018) | C-492240 | 17,534.81 | 0.00 | 17,534.81 | |
| 08/15/18 | Electric Utility (3/16/2018 - 4/16/2018) | C-492242 | 18,408.88 | 0.00 | 18,408.88 | |
| 08/15/18 | Electric Utility (4/16/2018 - 5/15/2018) | C-492244 | 15,480.71 | 0.00 | 15,480.71 | |
| 08/15/18 | Electric Utility (5/15/2018 - 6/15/2018) | C-492246 | 15,839.17 | 0.00 | 15,839.17 | |
| Total Electric Utility Due | | | | | | \$ 105,121 |
| 08/15/18 | HVAC Utility (12/14/2017 - 1/16/2018) | C-492237 | 16,284.78 | 0.00 | 16,284.78 | |
| 08/15/18 | HVAC Utility (1/16/2018 - 2/14/2018) | C-492239 | 15,649.31 | 0.00 | 15,649.31 | |
| 08/15/18 | HVAC Utility (2/14/2018 - 3/16/2018) | C-492241 | 15,682.44 | 0.00 | 15,682.44 | |
| 08/15/18 | HVAC Utility (3/16/2018 - 4/16/2018) | C-492243 | 15,292.97 | 0.00 | 15,292.97 | |
| 08/15/18 | HVAC Utility (4/16/2018 - 5/15/2018) | C-492245 | 14,301.48 | 0.00 | 14,301.48 | |
| 08/15/18 | HVAC Utility (5/15/2018 - 6/15/2018) | C-492247 | 16,585.58 | 0.00 | 16,585.58 | |
| Total HVAC Utility Due | | | | | | \$ 93,797 |
| 09/17/18 | Steam Utility (for period ending 11/13/2017) | C-492874 | 2,640.62 | 0.00 | 2,640.62 | |
| 09/17/18 | Steam Utility (for period ending 12/18/2017) | C-492875 | 26,787.80 | 0.00 | 26,787.80 | |
| Total Steam Utility Due | | | | | | \$ 29,428 |
| 11/09/18 | One-time fee per section 8.2(d) of the Agreement for the design and review process, and code compliance review process for Gateway News | C-501496 | 3,000.00 | 0.00 | 3,000.00 | |
| 11/09/18 | One-time fee per section 8.2(d) of the Agreement for the design and review process, and code compliance review process for Great American Bagel | C-501498 | 6,000.00 | 0.00 | 6,000.00 | |
| 11/09/18 | One-time fee per section 8.2(d) of the Agreement for the design and review process, and code compliance review process for second Gateway News store | C-501497 | 3,000.00 | 0.00 | 3,000.00 | |
| Total One Time Fee Design and Review Due | | | | | | \$ 12,000 |
| Total Outstanding Balance | | | | | | \$ 4,195,393 |